



National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.
Tel: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

Registrar

No. NEPRA/R/ADG(Trf)/PAR-148/SNPCL-2015/ 35748-52

October 24, 2023

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for July-September 2023 & October-December 2023 Quarters for Sindh Nooriabad Power Company (Pvt) Limited Phase-II (Case No. NEPRA/PAR-148/SNPCL-2015)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components at **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff of Sindh Nooriabad Power Company (Pvt) Limited Phase-II for the quarter **July-September 2023 & October-December 2023** on account of US CPI, N-CPI, KIBOR and Exchange Rate variation in Case No. NEPRA/PAR-148/SNPCL-2015.

2. The decision is being sent to the Federal Government for intimation and action, if any, by the Federal Government under Proviso (ii) of Section 31(7) of NEPRA Act, before its notification by NEPRA pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

Secretary,
Ministry of Energy (Power Division),
Government of Pakistan
'A' Block, Pak Secretariat,
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Sindh Nooriabad Power Company Phase II (Pvt.) Ltd. # 23-A/II, Mohammad Ali Jauhar Memorial Cooperative Housing Society, Karachi

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTELY INDEXATION/ADJUSTMENT OF TARIFF FOR JULY TO SEPTEMBER 2023 AND OCTOBER TO DECEMBER 2023 QUARTERS FOR SINDH NOORIABAD POWER COMPANY (PVT) LIMITED PHASE-II.

Pursuant to the Authority's decision dated August 4, 2017 notified vide S.R.O No. 27(I)/2018 dated January 5, 2018 in the matter of Motion for Leave for Review and decision of the Authority dated September 21, 2021 notified vide S.R.O. No. 726(I)/2022 dated May 31, 2022 in the matter of fuel cost & capacity charge components adjustments on account of approval of capacity and heat rate on June 4, 2021 and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components, the relevant tariff components of Sindh Nooriabad Power Company (Private) Limited Phase-II (hereinafter "SNPCL-II") are required to be adjusted on account of US CPI, N-CPI, KIBOR and Exchange Rate variation.

The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

"Indexation/adjustment for July to September 2023 and October to December 2023 quarters have been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable."

Tariff Components	Reference Aug 4, 2017, Mar 10, 2021 & Sep 21, 2021	Revised Jul-Sep 2023 Quarter	Revised Oct-Dec 2023 Quarter
Capacity Charge (Rs./kW/h)			
Fixed O&M - Local	0.4529	0.7880	0.8271
Insurance	0.1069	0.1069	0.1069
Debt Servicing (Debt + Interest)	1.5941	2.5740	2.5154
Total	2.1539	3.4689	3.4494
Energy Charge ((Rs./kWh)			
Variable O&M - Foreign	0.3410	1.2345	1.2549
Variable O&M - Local	0.3682	0.6406	0.6724
Total	0.7092	1.8751	1.9273

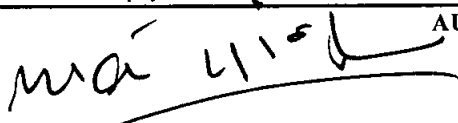
The Authority decided to allow ROE and ROEDC components (without indexation) on provisional basis for the period of one year i.e. July 01, 2022 to June 30, 2023. Therefore, ROE and ROEDC components are not considered in the instant indexation/adjustment request.

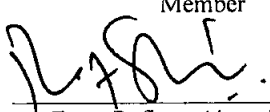
Indexation allowed to SNPCL-II is purely on provisional basis and shall be subject to adjustment/refund, if necessary, in the light of COD tariff true-up decision and pending court case in Islamabad High Court.


The revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

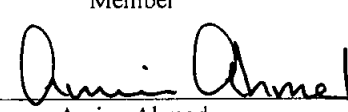
KE to ensure that all payments are consistent with the tariff determination(s).


AUTHORITY

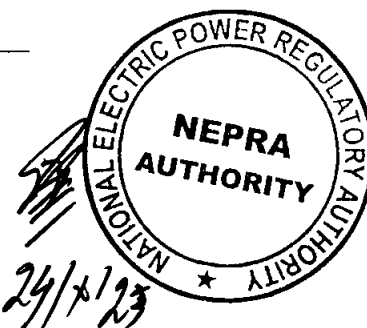

Mathar Niaz Rana (nsc)
Member


Engr. Rafique Ahmed Shaikh
Member


Engr. Maqsood Anwar Khan
Member


Amina Ahmed
Member


Waseem Mukhtar
Chairman



Sindh Nooriabad Power Company (Pvt) Ltd Phase-II
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Aug 4, 2017, Mar 10, 2021 & Sep 21, 2021	Revised Jul-Sep 2023 Quarter	Revised Oct-Dec 2023 Quarter	Indexation
Capacity Charge (Rs./kW/h)				
Fixed O&M - Local	0.4529	0.7880	0.8271	N-CPI Local
Insurance	0.1069	0.1069	0.1069	-
Debt Servicing (Debt + Interest)	1.5941	2.5740	2.5154	KIBOR
Total	2.1539	3.4689	3.4494	
Energy Charge ((Rs./kWh)				
Variable O&M - Foreign	0.3410	1.2345	1.2549	US CPI & Rs./US\$
Variable O&M - Local	0.3682	0.6406	0.6724	N-CPI Local
Total	0.7092	1.8751	1.9273	
Indexation Values				Source
Exchange Rate (Rs./USD)	101.72	287.10	289.10	NBP - Revised rate of June 27, 2023 & Sep 28, 2023
US CPI (All Urban Consumers)	237.111	304.127	307.026	U.S. Bureau of Labor Statistics - Revised value of May & Aug 2023
N-CPI (Local)	131.01	227.96	239.27	Pakistan Bureau of Statistics - Revised value of May & Aug 2023
3 Monthly KIBOR	6.00%	22.91%	22.66%	SBP - Revised rate of June 27, 2023 & Sep 28, 2023
Principal Outstanding (Rs. Million)		2,637.94	2,517.45	
Hours in the Quarter		2,208	2,208	

- Based on the data declared by Sindh Nooriabad Power Company (Pvt.) Limited.

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